

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

RE: BOSTON EDISON COMPANY	DTE 05-15
CAMBRIDGE ELECTRIC COMPANY	DTE 05-17
COMMONWEALTH ELECTRIC COMPANY	DTE 05-19
NSTAR GAS COMPANY	DTE 05-23
2004 SERVICE QUALITY REPORTS	

COMMENTS OF LOCAL 369, UTILITY WORKERS UNION OF AMERICA

I. INTRODUCTION

On March 1, 2005 Boston Edison Company, Cambridge Electric Company, Commonwealth Electric Company and NSTAR Gas Company (collectively, “NSTAR”) each filed a Service Quality (“SQ”) Report for the calendar year 2004, docketed as DTE 05-15, 05-17, 05-19 and 05-23, respectively. The Department issued notice dated April 6, 2005 that interested parties may file comments on the SQ Report by April 21, 2005. In response with a request made to the Hearing Officer, Local 369 of the Utility Workers Union of America (“Local 369”) was granted leave to late-file its comments by April 26, 2005.

Local 369 represents workers who perform a wide range of customer service, operations and maintenance tasks for NSTAR. Local 369 has been a very active party in a number of proceedings involving service quality standards, including DTE 99-84, in which the Department first adopted SQ standards, and, most recently, DTE 04-116, the Department’s review of the overall system of SQ regulation.

II. COMMENTS

A. Boston Edison Company (“BECo”)

BECo reports 2004 line losses of 6.6%, an increase from the line losses of 6.4% reported for 2003.¹ BECo’s line losses have been significantly higher in the past several years than previously. From 1995 through 1998, line losses averaged 5.725%. From 1999 through 2004, the average has been 6.62%, an increase in the loss rate of over 15%.²

Moreover, BECo’s 2004 line losses of 6.4% are significantly higher than the reported losses of Commonwealth Electric, which has a highly-exposed, low-density, above-ground system on the South Shore, Cape Cod, and Martha’s Vineyard. Commonwealth reported losses of 5.7% in 2004.³ Another NSTAR company, Cambridge Electric, reported line losses of only 2.5%.⁴ Massachusetts Electric Company, which also has a relatively low-density, largely above-ground system that is exposed to inclement weather and damage from trees and animals, reported line losses of only 4.8% in 2003, further highlighting BECo’s results as an outlier.

Local 369 has in the past called on the Department to thoroughly investigate why Boston Edison and Commonwealth Electric have line losses that appear so high in comparison to other

¹ BECo 2004 Form B, App. 4.

² BECo 2004 Form B, App. 4.

³ Commonwealth Electric 2004 Form B., App. 4.

⁴ The Cambridge distribution system is almost entirely underground and therefore may not be comparable. Local 369 also believes that Cambridge Electric had a very well-maintained distribution system before merging with Boston Edison.

companies.⁵ Local 369 again asks the Department to conduct such an investigation. Increases in line losses translate into higher rates because fixed costs are spread over a smaller base of kilowatthours. The Department must minimize any unnecessary line losses in order to keep rates as low as possible.

B. NSTAR Gas

NSTAR Gas reports 2.94% “unaccounted for gas” in 2004, and a ten-year average of 3.04% “unaccounted for gas.”⁶ Like line losses, increases in unaccounted for gas translate directly into higher rates by reducing the volume of sales over which fixed costs are spread.

NSTAR Gas’s figures compare quite unfavorably with those reported by Bay State Gas. In 2004, Bay State’s unaccounted for gas was only .68%. Bay State’s ten-year average for unaccounted for gas is .35%.⁷

The Department should thoroughly investigate why NSTAR Gas’s unaccounted for gas appears so high in comparison to Bay State. While there may be legitimate explanations for those differences, the Department should not blithely ignore the possibility that NSTAR Gas’s losses can and should be reduced, which reduction would save ratepayers significant amounts of money.

⁵ “Initial Comments of the Utility Workers Union of America and UWUA Locals 273, 369 and 654,” DTE 04-116 (March 1, 2005), p. 19.

⁶ NSTAR Gas 2004 Form A, App. 3.

⁷ Bay State Gas, DTE 05-12, Section Two - Page 3.

C. Cambridge Electric

Cambridge Electric reports meeting only 78.79% of its service appointments on time.⁸ This compares to kept-appointment rates for the other NSTAR companies ranging from 91.1% (Commonwealth Electric) to 99.7% (NSTAR Gas). Since the four operating companies operate under unified management, there is little reason to assume, without any explanation from NSTAR, that the rates of kept appointments would vary so significantly from company to company. The Department should inquire into the causes of Cambridge Electric's relatively poor performance in keeping its service appointments.

D. All NSTAR Companies

NSTAR reports staffing levels for all four companies on a consolidated basis.⁹ The consolidated staffing level for 2004 was 2,128 (union employees). This represents a decline of 5% from 2003 and almost 9% from 2002.

Local 369 has recently filed detail comments about the Department's abject failure to enforce the staffing level requirements of the Restructuring Act, G. L. ch. 164, §1E. There is no need to repeat all of those arguments here; Local 369 simply refers to those previous comments.¹⁰ However, it is important to reiterate that NSTAR has had very recent and serious problems with stray voltage-related injuries. Local 369 believes that NSTAR would have performed far more

⁸ Cambridge Electric, Form B, summary page.

⁹ See, for example, NSTAR Gas, Form A, App. 7.

¹⁰ "Initial Comments of the Utility Workers Union of America and UWUA Locals 273, 369 and 654," DTE 04-116 (March 1, 2005), pp. 8 - 16.

routine inspections of its system had it not decreased staffing levels so significantly and that more frequent inspections would have uncovered some of the stray voltage problems.

III. CONCLUSION

The Utility Workers Union of America, Local 369 asks the Department to issue a ruling consistent with these comments.

Respectfully submitted,

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